



## Media Release

18 February 2019

### UDV welcomes move away from \$1 milk

The United Dairyfarmers of Victoria (UDV) has today welcomed a decision by major retailer, Woolworths, to move away from \$1 litre milk from tomorrow.

“This is a positive step in the right direction and we encourage other retailers to recognise the importance of this and take immediate action,” said Mr Paul Mumford, UDV President.

“The \$1 per litre milk does not reflect the cost of production and dairy farmers have been concerned since its inception that this campaign, one of effectively ‘loss leading’ by the big supermarkets to get customers in the door, has come at their expense.

“UDV supports Woolworths finally showing leadership on this and the move towards a fairer competitive market price, recognising the value of milk as a staple product.

“Over the past few months we have seen farmers across Australia struggle as a result of significant weather events from devastating drought to once-in-a-lifetime flood events which will have long lasting impacts including significant costs on farm businesses,” he said. “While we understand that consumers too are experiencing higher living costs, it is time we started a conversation about the price of food.

“Victorian consumers should be able to have confidence that when they buy milk, they are paying a fair price to the dairy farmers that produced it. This, in turn, will help build confidence with farmers in the sector.

“Consumers can show their support for dairy farmers with their purchasing decisions by buying milk from retailers that reflect a fairer value for our delicious, safe and nutritious products,” said Mr Mumford.

From tomorrow, 19 February, Woolworths has indicated that it will raise the cost of \$1 per litre Woolworths branded milk to \$1.10, with two and three litre varieties costing \$2.20 and \$3.30 respectively. The additional money will be returned to farmers, via their processors in line with the usual payment cycles.

The decision by Woolworths comes after years of discussion between retailers and Australian dairy advocacy bodies to ensure farmers are paid a fair price for their product to ensure a sustainable and profitable Australian food and agriculture sector.

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#### About the VFF

The Victorian Farmers Federation (VFF) is dedicated to representing the interests of farmers and making a positive difference to their businesses and communities. We strive to create an environment for our members, our farmers, that enables profitable, safe, sustainable production to ensure an enduring social licence in a community that respects and values the sector.